

BALL JANIK LLP
ATTORNEYS

1455 F STREET, NW, SUITE 225
WASHINGTON, D.C. 20005

www.balljanik.com

TELEPHONE 202-638-3307
FACSIMILE 202-783-6947

LOUIS E. GITOMER
OF COUNSEL
(202) 466-6532

lgitomer@dc.bjllp.com

RECORDATION NO. 23981-P
JUL 08 '03 11:09 AM
SURFACE TRANSPORTATION BOARD

July 8, 2003

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Dear Secretary Williams:

I have enclosed the original and one certified copy of the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Release from Surface Transportation Board Filed Encumbrance, a secondary document, dated as of July 1, 2003. The primary document to which this is connected is recorded under Recordation No. 23981. We request that one copy of this document be recorded under Recordation No. 23981-P.

The name and address of the party to the Release from Surface Transportation Board Filed Encumbrance is:

Secured Party:

The Bank of Nova Scotia
600 Peachtree Street, Suite 2700
Atlanta, GA, 30308

A description of the equipment covered by the Release from Surface Transportation Board Filed Encumbrance consists of seven locomotives numbered KRR 1005 and 1006, MNA 2167 and 2210, SJVR 2035 and 2041, and NCVA 4120.

BALL JANIK LLP

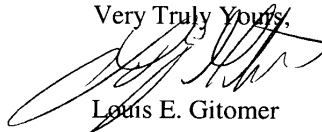
Honorable Vernon A. Williams
July 8, 2003
Page 2

A fee of \$30.00 is enclosed. Please return the original to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: a Release from Surface Transportation Board Filed Encumbrance by The Bank of Nova Scotia, 600 Peachtree Street, Suite 2700, Atlanta, GA, 30308, covering seven locomotives numbered KRR 1005 and 1006, MNA 2167 and 2210, SJVR 2035 and 2041, and NCVA 4120.

Very Truly Yours,

A handwritten signature in black ink, appearing to read "Louis E. Gitomer", is written over the typed name.

Louis E. Gitomer

Enclosures

Release from Surface Transportation Board Filed Encumbrance

Release herein is made to the Credit Agreement (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), dated as of May 23, 2002, made by RailAmerica Transportation Corp., a Delaware corporation (the "Company"), RailAmerica, Inc., Palm Beach Rail Holding, Inc., RailAmerica Canada Corp., RailLink, Ltd., Freight Victoria Limited, RailAmerica Australia Finance Pty. Ltd., and RailAmerica Australia Pty. Ltd., the various financial institutions as are or may become parties thereto (collectively, the "Lenders"), UBS Warburg LLC and Morgan Stanley Senior Funding, Inc., as Joint Lead Arrangers and Bookrunners, Morgan Stanley Senior Funding, Inc. as Syndication Agent for the Lenders, UBS AG, Stamford Branch as the Administrative Agent for the Lenders, The Bank of Nova Scotia, as Collateral Agent (in such capacity, the "Collateral Agent") for the Lenders, and The Bank of Nova Scotia and Credit Lyonnais, as the Documentation Agents for the Lenders. Unless otherwise defined herein, capitalized terms used herein and in the Schedule hereto have the meanings provided in the Credit Agreement.

The Collateral Agent hereby release the assignment, pledge, hypothecation, charge, mortgage, delivery, and transfer of the seven locomotives: KRR 1005, GP-10; MNA 2167, slug; MNA 2210, GP-16; KRR 1006, GP-10; SJVR 2035 and 2041, both GP-20's and NCVA 4120, slug, that was recorded with the Surface Transportation Board under Recordation Number 23981.

Dated as of July 15th, 2003.

RECORDATION NO. 23981-P FILED

JUN 08 '03 11:09 AM

SURFACE TRANSPORTATION BOARD

State of Georgia)
)
County of Gwinnett,) ss.

THE BANK OF NOVA SCOTIA,
As Collateral Agent

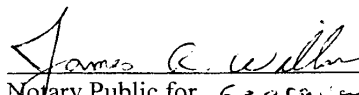
By: Chris J. Allen
Title: Managing Director & Office Head

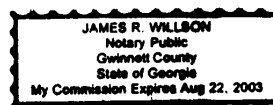
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On this 15th day of July, 2003, before me James R. Willson the undersigned Notary Public, personally appeared Chris Allen personally known to me to be the person who executed the within instrument as Managing Director on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

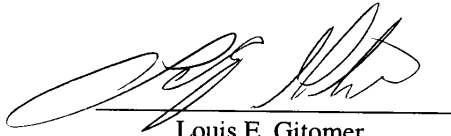
My Commission expires 8/22/03


Notary Public for Georgia



CERTIFICATION

I, Louis E. Gitomer, have compared this copy to the original Release from Surface Transportation Board Filed Encumbrance dated as of July 1, 2003, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.

A handwritten signature in black ink, appearing to read 'L. E. Gitomer', is written over a horizontal line.

Louis E. Gitomer
July 8, 2003